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CHARLES J. BRAND, Chief

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PREVAILING PLANS AND PRACTICES AMONG FARMERS' MUTUAL FIRE INSURANCE COMPANIES.

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INTRODUCTION.

There are about 1,950 farmers' mutual fire insurance companies in the United States. These companies have in general shown a high degree of stability and have proved of much value to their members. The total amount of insurance which they now have in force exceeds $6,000,000,000. A questionnaire was sent out by the Bureau of Markets making inquiry concerning the plans of organization and the business practices of these companies. The information contained in this bulletin is largely a summary of the replies to this questionnaire.

The organizations here classed as farmers' mutual fire insurance companies are those mutuals whose risks consist either entirely or very largely of farm property. In most States where these companies exist they are recognized as a separate and distinct class of insurance organization and operate under laws which practically

NOTE.—This bulletin should be of special interest to the directors and officers of farmers' mutual insurance companies, and to those who contemplate the organization of such companies.

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limit the insurance written by them to country risks. In several of the Eastern States and some of the Southern States, however, no such distinct class of farmers' mutuals has been provided for by statute. In these latter States, therefore, it is frequently difficult to determine which of the mutual fire insurance companies should be considered farmers' mutuals and which should not. No company has been included in the above or in succeeding figures whose reply indicated that the risks carried were other than farm property to an extent greater than 35 per cent.

Of the organizations complying with the above-mentioned requirements a total of 1,161 companies filled out the questionnaire.[1] The returns upon which the bulletin is based are thus approximately three-fifths complete and are believed to be sufficiently numerous and also sufficiently representative to enable one to draw fairly accurate conclusions concerning the prevailing plans and practices of the entire group of companies here considered. On many points, however, it will be noticed that the variations in plans and methods are quite as noticeable as any tendency toward uniformity.

LOCATION OF COMPANIES, DATE AND METHOD OF INCORPORATION.

Farmers' mutual fire insurance companies are found in greater or smaller numbers in all the States except Florida, Louisiana, New Mexico, Arizona, and Nevada. More than four-fifths of these companies, however, are located in the Middle Atlantic and the North Central States. Their number and approximate locations are indicated on the outline map shown on page 3.

For most of the States the date of organization of the insurance companies is given in the annual report of the insurance department. It is therefore possible to give a more complete statement concerning this phase of the question than information secured by means of the questionnaire alone would permit. Using both the questionnaire and the insurance reports, it has been possible to determine the date of organization of 1,879 of the farmers' mutual fire insurance companies. The number of existing companies which were organized during each decade is indicated in the following table:

	Companies.		Companies.
1820–1829	2	1870–1879	484
1830–1839	8	1880–1889	333
1840–1849	38	1890–1899	450
1850–1859	61	1900–1909	254
1860–1869	98	1910–1917	151

[1] The information thus secured has already been used as the basis for various conclusions in Yearbook Separate 697, and in Department Bulletin 530 (see appendix), but the data have not before been put in summary form suitable for general distribution.

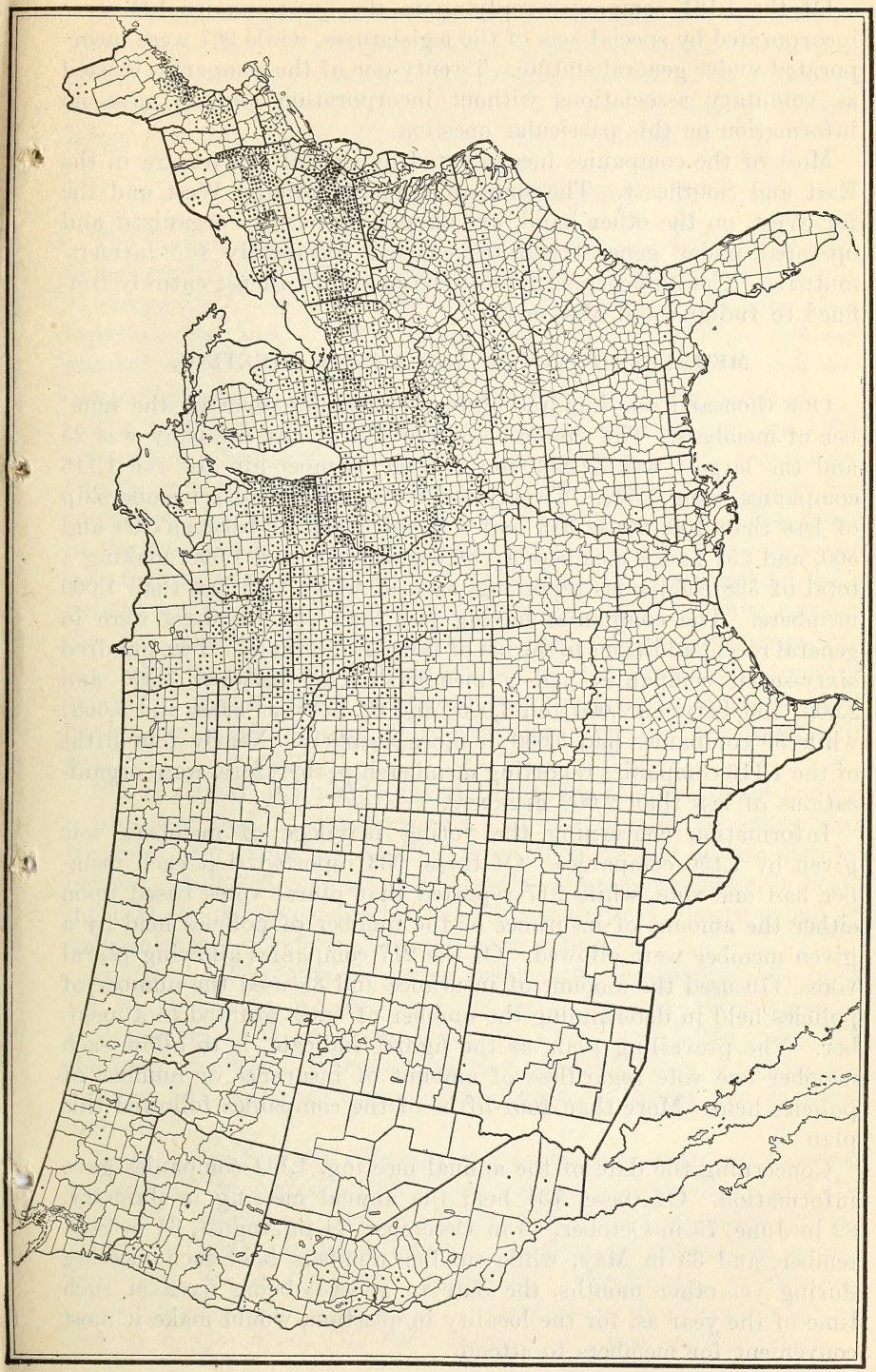

FIG. 1.—Farmers' mutual fire insurance companies. Each dot represents a company.

Of the 1,161 companies replying to the questionnaire 124 were incorporated by special acts of the legislatures, while 967 were incorporated under general statute. Twenty-one of the companies existed as voluntary associations without incorporation and 49 gave no information on this particular question.

Most of the companies incorporated by special charter are in the East and Southeast. The companies in the Middle West and the far West, on the other hand, are almost universally organized and operated under general statutes enacted specifically for farmers' mutuals. The unincorporated associations were almost entirely confined to Indiana and Missouri.

MEMBERSHIP, VOTES, AND ANNUAL MEETING.

One thousand one hundred sixteen companies reported the number of members. The smallest membership of any company was 25 and the largest was 32,433, the average membership for the 1,116 companies being 1,532. Twenty-eight companies had a membership of less than 100, while 313 had a membership of between 100 and 500, and 257 had a membership of between 500 and 1,000, making a total of 598 companies reporting, each of which had less than 1,000 members. The companies having less than 100 members were in general recent additions to the list of farmers' mutuals. Two hundred sixty-seven companies had a membership of between 1,000 and 2,000; 130, between 2,000 and 3,000; and 62, between 3,000 and 5,000; while 59 companies had 5,000 or more members. Nearly four-fifths of the 1,116 companies reporting membership, therefore, were organizations of less than 2,000 members.

Information concerning the voting privilege of members was given by 1,150 companies. Of these, 933 reported that each member had one vote, while 217 reported that plural votes based upon either the amount of insurance or the number of policies held by a given member were allowed. Of the 217 companies allowing plural votes, 179 used the amount of insurance and 38 used the number of policies held in determining the number of votes granted to a member. The prevailing plan, as the figures indicate, is to allow each member one vote regardless of amount of insurance or number of policies held. More than four-fifths of the companies followed this plan.

Concerning the date of the annual meeting, 1,144 companies gave information. Of these, 734 held the annual meeting in January, 82 in June, 75 in October, 63 in December, 44 in August, 34 in September, and 33 in May, while smaller numbers held such meeting during yet other months, the date in general being fixed at such time of the year as, for the locality in question, would make it most convenient for members to attend.

The number present at the last annual meeting was reported by 1,002 companies. The largest number present at the annual meeting of any one company was 1,350 and the smallest was 3. The average number reported was 61. In only 179 cases was the number present larger than 100, and in only 48 cases was it less than 10.

DIRECTORS AND OFFICERS.

The maximum number of directors of any one of the 1,140 companies reporting on this point was 55 and the minimum was 2. Only 91 companies reported more than 15 directors and only 66 companies reported less than 5. The average as well as the most common number of directors for the companies reporting was 9, and 405 companies actually reported this number for their organization.

The term for which directors are elected was reported by 1,144 companies. The term was one year in the case of 517 companies, two years in the case of 62 companies, three years in the case of 508 companies, four years in the case of 43 companies, and five years in the case of 11 companies. One company reported the term of directors as seven years; and 2 reported that the directors held their positions without any limitation as to term of office. It thus appears that the favorite term of directors is either one or three years. It may also be stated that in a number of the laws more recently enacted it is specifically prescribed that the term of directors shall be three years and that one-third of the number shall be elected each year.

Practically all the companies giving information reported having a president and a vice president. In the case of secretary and treasurer, 926 companies reported these offices as held by two distinct persons, while 226 companies reported a secretary-treasurer, indicating that the duties of secretary and treasurer in the latter group of companies were performed by the same person.

Of the 1,145 companies giving information concerning the term for which officers are elected, 1,032 gave one year; 47 companies gave two years; 53, three years; 11, four years; and 2, five years. In the case of officers, therefore, as distinguished from directors the practice of a one-year term is fairly uniform among the farmers' mutuals.

Besides directors and officers, 249 companies reported an auditing committee; 240 companies reported an executive committee; and 106 companies reported an adjusting committee. A few companies reported yet other committees under such titles as appraising, valuation, application, revision, inspection, cancellation, arbitration, appeals, finance, and advertising. A number of these terms refer, of course, to committees with identical or at any rate similar duties.

HAZARDS AND RISKS.

All the companies returning questionnaires gave information concerning the hazards against which insurance was written. Thirty-three companies insured against fire only and 958 against fire and lightning. One hundred and seventy companies reported giving so-called combined protection, covering fire, lightning, and windstorm in their contract.

Farmers' mutuals writing combined protection were found in nearly all States with the exception of those located in New England and on the Pacific coast. In the case of companies operating in all or the greater part of a State the offering of windstorm protection as well as of fire and lightning protection is a fairly common practice everywhere. This practice in so far as it relates to county or relatively local companies, however, is limited largely to the States of the South. In a number of the States of the Middle West special windstorm insurance companies doing a State-wide business and working in close cooperation with the local fire insurance mutuals have been developed. The plan of carrying windstorm insurance by a relatively local company has proved disastrous in a number of instances, the losses from a single severe storm in a community not infrequently exceeding all available resources of a small company. From the point of view of the fire hazard, on the other hand, so far as the typical farming community is concerned, each group of farm buildings and to a considerable extent each building in the group constitutes a separate and distinct risk, and hence nothing corresponding to a conflagration hazard is present. Considerable allowance may of course be made for differences in the probability of severe windstorms in different sections of the country, but experience has proved that few, if any sections are entirely exempt from the most destructive form of windstorm known, namely, the tornado.

All but four of the companies reporting gave information concerning the property insured. One thousand sixty-four companies reported insuring only farm property and similar segregated risks within the limits of cities or villages, while 93 companies reported insuring also a larger or smaller amount of other city property. Companies reporting more than 35 per cent of the insurance on their books as city property were, as already stated, not included in this summary.

Among the 898 companies which reported the maximum single risk accepted by them, the highest for any company was $15,000 and the lowest $750. A total of 349 companies reported their maximum single risk as larger than $4,000, and only 58 companies provided for a maximum of less than $2,000. The average of such maximum risk for these companies was $3,994. Two hundred sixty-three

reports gave no reply to this question. The significance of these figures, it should be pointed out, is materially lessened by the fact that the definition of a "single risk" or "any one risk" as used by these companies is by no means uniform, some companies applying the term to all the property insured on a given farm, or even in a few instances to the property covered by a single policy, while others use it in the more appropriate sense as signifying a unit or group of property subject to destruction by a single fire.

The highest percentage for which insurance is granted by any of these companies was reported as 100 per cent of the cash value and the lowest such maximum was 33 per cent. The average percentage fixed as a maximum for insurance granted was 70 per cent of the cash value. Only 41 companies reported accepting risks for more than 75 per cent, and only 14 companies reported the maximum percentage of value permitted to be insured as less than 66⅔.

The maximum term for which policies are issued was given by 1,155 companies, and of these, 806 gave 5 years as such maximum. Thirteen companies reported writing policies for not longer than 1 year; 58, for not longer than 3 years; 19, for not longer than 4 years; and 19 others, for not longer than 6 years. Thirteen companies reported writing policies for terms up to 7 years and 13 others for terms up to 10 years. Perpetual or annually renewable policies were written by 214 companies. It appears, therefore, that 5 years is the most common maximum period for which policies are issued by these companies, more than two-thirds of them reporting this term, while nearly one-fifth of the farmers' mutuals issue policies which remain in force as long as assessments are met by the insured or until the company finds reason to cancel the insurance.

BUSINESS TERRITORY.

Information concerning the territory to which they confine their operations, either as the result of legal restrictions or of self-imposed limitations was given by 1,145 companies. Of these, 386 companies reported their business territory on a township basis; 715, on a county basis; and 44, on a State basis. Of the so-called township companies, 87 operated in a single township; 38, in 2 townships; 21, in 3 townships; and 32, in 4 townships. Ninety-eight companies operated in from 5 to 9 townships; 40, in from 10 to 14 townships; 44, in from 15 to 24 townships; and 26, in 25 or more such units of area. The companies operating on a township basis are most common in Illinois, Wisconsin, and Minnesota, although a considerable number of such companies are also found in Maine, New Hampshire, New York, Pennsylvania, and Ohio.

Of the 715 companies reporting their business territory on a county basis and therefore frequently termed county companies,

373 operated in all or a part of a single county; 102 operated in 2 counties; 87, in 3 counties; and 44 in 4 counties. Eighty companies operated in from 5 to 9 counties; 17, in from 10 to 14 counties; 6, in from 15 to 24 counties; and 6 others in 25 counties or more.

Of the 44 companies reporting business territory on a State basis, 11 indicated that they operated in part of the State; 29 that they operated in an entire State; and 4, that they operated in two States.

A question was also asked concerning the maximum business territory permitted the company by the law or charter authorizing it to do business. From the replies to this question it appears that 811 companies operated in an area equal to the maximum permitted, while 317 companies restricted themselves to a smaller area than that legally permitted, and 9 companies on the other hand, operated in larger areas than those prescribed to them by law. Twenty-four companies did not give the necessary information for a comparison of this kind. It may be pointed out in this connection that some of the earliest farmers' mutual insurance laws limited the companies organized thereunder to a single township. There has been, however, a general tendency to increase the business territory permitted, and more recent laws almost invariably prescribe a maximum business territory on a county basis.

PLAN OF RAISING FUNDS AND FREQUENCY OF ASSESSMENTS.

Twenty-five of the 1,161 companies returning questionnaires reported doing business on a fixed premium plan, while 1,113 reported relying mainly or in part upon assessments for their funds with which to meet the obligations assumed. Twenty-three companies gave no information upon this point. Most of the companies operating essentially on the assessment plan collect in advance a membership or policy fee together with a slight advance charge based on the amount of insurance written. The policy or membership fee collected varied from $15 to 25 cents. The average such charge for all the companies reporting was $1.54. The $15 fee, a membership fee collected only once from each member, was charged by only a single company, the next highest membership or policy fee being $5. Only 17 companies reported such charges in excess of $3, and only 45 companies reported similar charges of less than $1. The initial charges based on the amount of insurance written varied from 50 cents per hundred per year to two-tenths of a cent per hundred per year, the average of such charges being approximately the equivalent of 6 cents per hundred per year for the term of the policy.

In reply to a question on frequency of assessments, 121 companies reported that no assessment had hitherto been made. Of the remaining companies 76 reported having made but 1 assessment during the

last five years, while 99 reported having made 2 assessments during the same period; 135 reported 3 assessments; 116, 4 assessments; 413, 5 assessments; 62, 6 assessments; 26, 7 assessments; 22, 8 assessments; and 21, 9 assessments. Thirty companies reported from 10 to 14 assessments, and 9 more than 15 assessments. The greatest number of such assessments levied by any one company during the last five years was 29. Thirty-one companies did not report the frequency of assessments. From the figures just given it may be seen that the most common plan is that of annual assessments, while in the remaining cases less frequent assessments than 1 per year are considerably more common than more than 1 assessment during the 12-month period. The plan of collecting in advance at least one year's estimated cost of insurance, and the assessing in advance for each of the succeeding years of the policy term, appears to be gaining in favor among these companies.

LIABILITY OF THE INSURED.

Of the companies reporting, 829 operated under the unlimited liability plan, the insured obligating himself to pay his pro rata share of all losses and expenses legally incurred by the company. Of the remaining companies, 215 reported limiting the liability of the insured to a specific amount, while 117 companies returning questionnaires gave no information covering this question. The average obligation assumed by the policyholder in the companies which reported limited liability was equal to $1.41 per hundred per year while the policy remained in force. A special note was required as evidence of the liability of the insured by 161 companies while the greater number reporting, namely, 872 companies, relied on a clause in the insurance contract for the validity of the obligation assumed by the insured. One hundred twenty-eight companies reporting did not give information upon this point. It would appear, therefore, that less than one-fifth of the farmers' mutuals limit the liability of the insured, and that even a smaller proportion require a premium note. The prevailing plan is that of unlimited liability, the obligation to pay his proper part of losses and expenses being assumed by the insured as a part of the insurance contract.

CLASSIFICATION OF PROPERTY.

The returns from 334 of the companies indicated that they made a more or less elaborate classification of the risks insured, while 733 companies stated specifically that no classification at all was made by them. The remaining 94 companies returning questionnaires did not answer the question concerning classification. It may be added that proper classification for premium and assessment purposes has

only recently begun to be considered seriously by these companies, and that a number of them have adopted a classification of their risks within the last year or two. This is especially true in the better developed rural sections of the country. Three main reasons may be given as to why the mutuals in these sections are adopting a classification of their risks. First, a demand for a closer approach to justice in the charges collected from the members, it being obviously unfair to apply the same rate of premiums or assessments to highly desirable risks as is applied to the more hazardous ones. To apply the same rate, for example, to a well-constructed stone or brick dwelling with slate or tile roof and provided with proper lightning protection, as is applied to an unrodded wooden barn, involves a very material discrimination against the better of the two risks. Secondly, it has been found that expediency as well as justice demands a reasonable classification of farm risks. Without such classification it is possible for a larger company that does classify or rate its risks, by means of a competitive offer, to take away from an all-one-rate local mutual the most desirable risks in its territory. This can be done, of course, even though the cost of insurance in the local mutual on its one and only class of property be much lower than the average cost on the same property in the larger competing company. Lastly, it has been found that the recognition of certain loss-resisting features by means of suitable concessions in the classification and rates applied is one of the most practical ways of encouraging the general improvement of the risks within the business territory of the company. A suggested classification of farm risks may be found in Department Bulletin 530 of the United States Department of Agriculture.

METHOD AND COST OF GETTING BUSINESS.

The question of who looks after the matter of soliciting business was answered by 1,141 companies. Three hundred sixteen companies stated that business was solicited by the directors only, 182 by officers only, and 82 by directors and officers, making a total of 580 companies soliciting business only through responsible officials of the organizations. Four hundred two companies reported solicitation by special agents only; 65 by directors and agents; 31 by officers and agents; and 16 by directors, officers, and agents. Forty-seven companies reported that no solicitation of business was done by any one, the company relying upon the initiative of those needing protection to apply for membership. Twenty companies returning questionnaires gave no information on the method of getting business.

Since it is known that in many cases certain directors or officers are specifically designated agents for the solicitation of business it is probable that many companies reported securing business through

special agents when as a matter of fact it would have been equally true to state that this service was performed by certain directors or officers. For this reason it is believed that the plan of securing business through responsible officials of the companies is even more common than the above figures would indicate. Many of the companies, it may be mentioned in this connection, pride themselves upon the fact that their history indicates a steady and healthy growth covering a number of decades and that every member of the company has been admitted as a result of a personal application on his part and without any effort or expense on the part of the company. While this passive attitude toward the growth of the company has worked exceedingly well in certain communities it is by no means universally applicable.

Only 232 companies reported making efforts to secure business through advertising, while 892 stated specifically that they did not advertise. Thirty-seven companies did not reply to the question. Of the companies resorting to advertising as a means of promoting the growth of the company, 112 reported the use of newspapers for this purpose. Forty-nine reported using special circulars only; and 42 reported using both newspapers and special circulars. Twenty-nine companies merely replied that they did some advertising without specifying the method employed.

Seven hundred twenty-two companies reported compensating their representatives for the solicitation of business by means of a fixed fee per application taken. The maximum of such fee reported by any company was $4 and the minimum was 25 cents. The average fixed fee allowed was $1.28. Only 32 companies reported such fee in excess of $2, while 78 companies reported a fee of less than $1. Fifty-six companies paid both a fixed fee and a small commission based on the amount of insurance written, while 82 companies reported paying for services in soliciting business on a per diem basis. No information concerning the cost of getting business or the method used in compensating for this service was given by 170 companies.

One hundred thirty-one companies reported compensating their officials or agents for the solicitation of business strictly on a commission basis. The average commission allowed by these companies amounted to $0.027 per hundred per year of the insurance written. Only 18 companies allowed a commission equivalent to more than 5 cents per hundred per year, and 62 companies paid such commission equal to less than 2 cents per hundred per year.

The fixed fee plan of compensating solicitors of business in these companies may thus be said to be the current practice, being followed by more than three-fourths of the companies. This plan eliminates all temptation on the part of agents either to encourage or to permit overinsurance.

SALARIES OF DIRECTORS AND OFFICERS.

More or less complete information concerning the compensation of directors and officers was given by 842 companies. In the case of directors each of these companies reported the actual per diem allowed. The largest such per diem was $10 and the smallest was 50 cents. Only 24 companies paid a per diem of more than $3, while 104 companies paid a per diem of less than $1.50. The average per diem paid by the 842 companies was $2.05. The most common amount paid was $2, nearly one-half of the companies reporting this figure.

The question referring to compensation of officers was less generally filled out than were the other parts of the questionnaire, and in view of the variation in the size of the companies, as well as of the different plans in vogue with regard to the distribution of duties among the officers, any figures in the way of averages would have but little significance. A few data bearing on the plans of compensation may, however, be submitted. The president was paid a fixed annual salary by 410 companies, while 85 reported paying a fixed allowance per policy in force during the year, and 56 others reported a combination of these two methods in the compensation of this officer. In the case of the secretary, 423 companies reported paying a fixed annual salary; 98 reported compensating this official on a per diem basis, and 139 reported paying a fixed allowance per policy in force during the year. In the case of the treasurer, 315 companies paid a fixed annual salary; 118 reported compensating this official on a per diem basis; and 166 reported paying him on the basis of percentage of money handled. Forty-one companies used a mixture of two or more of these methods as a basis for the compensation of the treasurer. Out of 188 companies which reported the compensation of a secretary-treasurer, 122 paid an annual salary; 13 companies paid a per diem; and 13 paid a fixed allowance per policy in force, while 40 companies used a combination of two or more of these methods. The prevailing plan of compensation for directors and officers of these organizations is therefore that of a per diem for the directors and an annual salary for the officers charged with the routine work of the company.

ADJUSTMENT OF LOSSES.

Information concerning the agency used in the adjustment of losses was furnished by 1,143 companies. Of these, 178 reported having a committee charged with this duty, while 119 reported employing special adjusters. In the case of 404 companies the adjustment of losses was left entirely to the directors while in the case of 97 com-

panies one or more of the officers were charged with this duty. The 345 other companies giving information on this point reported various combinations of the plans already given. So far as any plan can be spoken of as most common it is that of leaving the adjustment of losses to the directors, each acting for the company as a rule in his own neighborhood. While this plan may be the cheapest, a greater uniformity in adjustments is doubtless secured by employing in so far as possible the same official or employee of the company for all adjustments.

Seven hundred sixty-one companies reported providing in their by-laws for appeal to a special arbitration committee in the case of disagreement with the insured as to the indemnity due him. Sixty-eight companies reported that the insured had the privilege of an appeal to the board of directors in the case of such disagreement, and 76 other companies had various arrangements to cover cases of disputes with the insured in connection with the adjustment of losses. Twelve companies stated that no provision was made in their by-laws covering cases of disagreement, while 244 companies did not answer the question relating to this matter.

SURPLUS AND REFUNDS.

The replies of 764 of the 1,091 companies which gave information concerning the policy of the company with regard to a reserve or surplus stated that the company did not make any effort to keep on hand any surplus fund, and 57 companies simply reported a specific amount now on hand. Seventy-five companies made an effort to have on hand a surplus equal to a fixed percentage of the insurance in force, while 19 companies aimed to keep on hand a surplus based on the premium collected on policies then in force. The reports received from 176 companies indicated that they had "some" surplus on hand without either giving the amount of such surplus or stating the plan followed by the company with regard to the amount of such fund. The large majority of these companies, therefore, have no fixed plan with regard to reserve or surplus. The maintenance of a reasonable surplus appears to be favored to an increasing extent, however, by the leading representatives of farmers' mutual insurance. A surplus amounting to $2,000 or $3,000 per million of insurance in force is generally considered to be sufficient for companies whose risks involve no conflagration hazard.

Only 648 companies gave replies to the question covering the policy of the company in respect to the return of excess premium deposits and only 37 of this number reported actually making any such refund to the policyholder, thus again indicating that the majority

of these companies operate strictly on the assessment plan and collect from time to time from their members only such amounts as will suffice to pay losses and expenses.

REINSURANCE.

Eight hundred ninety-one of the 1,161 companies returning questionnaires gave replies to the question covering reinsurance. Of these only 67 reported having a part of their risks reinsured, while 824 companies stated specifically that none of their risks were reinsured. Suitable reinsurance facilities are among the great needs of many of these companies, a need that only recently has begun to be more generally recognized by them. In one State, namely, Iowa, a special reinsurance company has been organized by the farmers' mutuals, and in Illinois the law was recently amended so as to permit these companies to place reinsurance with one another. Such privilege has for some time been granted by the laws of Wisconsin, Iowa, Missouri, Nebraska, Kansas, Kentucky, and Colorado. The Minnesota law permits the companies to write joint or concurrent insurance in conjunction with other farmers' mutuals, on property located outside of the prescribed business territory. All State laws on this subject should permit the farmers' mutuals to reinsure a part of their larger risks with one another, and should also permit these companies to write policies of joint or concurrent insurance outside of their special territory in order that they may be encouraged by one plan or another to avoid exposing themselves to excessive losses.

CONCLUSION.

The preceding summary, while pointing out the prevailing plans and practices among farmers' mutuals, also brings out clearly the variety in such plans and practices. In 16 of the States, associations of mutuals have been organized. These associations hold either annual or biennial conventions at which the officers of the member companies have an opportunity to compare methods and discuss plans for the improvement of their organizations. Such associations should be formed in all States where farmers' mutuals exist. The National Association of Mutual Insurance Companies, which holds annual conventions, is in large measure composed of farmers' companies. These intercompany associations are a powerful influence tending toward the improvement and standardization of the plans and practices of farmers' mutuals as well as of other mutuals that avail themselves of membership in them. While rigid uniformity may not be desirable, a reasonable approach to uniformity in the plans and practices of the farmers' mutual fire insurance companies, at least within a given

State, would be a material advantage. The general public would be more easily convinced of the soundness and real value of these companies as a class. The approval and support of the insurance department of the State would be more easily secured than is sometimes the case under present conditions. Financial institutions which lend money to farmers would more readily accept the policies of these companies as collateral, and lastly the companies themselves would find it easier to cooperate with one another in matters of reinsurance or joint insurance, as well as in meeting other problems that arise.

PUBLICATIONS OF THE U. S. DEPARTMENT OF AGRICULTURE OF SPECIAL INTEREST TO THOSE CONNECTED WITH FARMERS' MUTUAL FIRE INSURANCE COMPANIES.

PUBLICATIONS AVAILABLE FOR FREE DISTRIBUTION.

Cotton Warehouse Construction. (Department Bulletin 277.)

Dust Explosions and Fires in Grain Separators in the Pacific Northwest. (Department Bulletin 379.)

The Organization and Management of a Farmers' Mutual Fire Insurance Company. (Department Bulletin 530.)

Grain-Dust Explosions, Investigation in the Experimental Attrition Mill at the Pennsylvania State College. (Department Bulletin 681.)

Prevailing Plans and Practices Among Farmers' Mutual Fire Insurance Companies. (Department Bulletin 786.)

Modern Methods of Protection Against Lightning. (Farmers' Bulletin 842.)

Fire Prevention and Fire Fighting on the Farm. (Farmers' Bulletin 904.)

Farmers' Mutual Fire Insurance. (Separate 697, from Yearbook 1916.)

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